

# Red bull

Business



**ASSIGN  
BUSTER**

The properties claimed by Red Bull-Improved physical endurance -Stimulates metabolism and helps eliminate waste substances. Improves overall feeling of well being -Improves reaction speed and concentration -Increases mental alertness. (c)Product and packaging concept -Flavor: Sweet and carbonated like a cola. -Package: Came in a single package, a slender silver-and blue metal can. - Positioning-"Reevaluates body and mind" with an easy to grasp message. The consumption would not be limited to certain occasions or activities.

It's a nutrition item and dancers and clubbers rave, truck drivers are early adopters use to drink it. Customer may drink it day or night. -Price: Pursued a premium pricing strategy and much more expensive than cola.

II)Yes, they change it for different markets and different countries. In Australia, it's functional foods category, it's a new created category and not belong to any other food and drug categories. Also, when it entered a new market, targeted on "opinion leaders" included action sports athletes and entertainment celebrities.

Besides, in different markets the company targeted in shops, clubs, bars and stores, this is different with the initial meaning of this beverage "functional energy only, it became a beverage to be offered by place, occasion and cool fashion drinks. We think they change the source of brand equity very flexible.

Analyze Red Bull's marketing program in terms of how it contributes to the brand's equity. Discuss the strengths and weaknesses. (I)The Red Bull's marketing

activities Included: word -of- mouth strategy: opinion leaders be targeted: action sports athletes and entertainment celebrities.

Sampling programs: Product campaign took place at concerts, parties, festivals, sporting events and son on. Point-of purchasing marketing: Branded refrigerator which prominently displayed the red bull logo. Also they use the highly voluble aluminum window sucker to Indicate availability, and limited the SE of posters, shelf talkers and ceiling hangers in the store.

D)Select electronic media buys: Two new animated cartoon commercials it develop each year. Event marketing: Aggressive sporting events get automatically Into the media.

(f)sports marketing: The contribution of brand equity we will say, they hope this brand consumers talking about and purchasing red bull everywhere, finally through seeding program and targeted on opinion leaders, gradually presence to locations surrounding “ in” spots, these marketing activities are going well and finally reached the mass-market via parameters.

They reached a broad range of consumers to people who are mentally or physically fatigued. (II)Strength: (a)Product-Essentially invented to the functional energy beverage, compare with other major beverage competitors , Red Bull have clear segment market and clearly define the product category . Also the easy-grab can make customer very easy to buy it.

(b)Price-Selling point is functional value to create a premium strategy, therefore, even the retail price higher than cola still can beat it. C )Place- Retail channel included sport shops, club, bars, convenience stores, office alluding , cafeterias and commissaries.

Also, Red Bull can be found at many beach parties' booth, or all of the refrigerators can be found. Promotion-use visible aluminum window sticker to indicate availability instead of the traditional clear plastic. Also, aggressive event marketing and new animated cartoon commercials can be the most visible media efforts of promotion. III) Weakness-Part of market or consumer do not familiar with this kind of beverage, and it's defined as functional energy, it's limited and not easy to get broader consumer as their target. It's clearly used to consumer who need or want to stay up late or all night. Basically, stay up late is not healthy lifestyle behavior and this clear market segment can be also the weakness to expand the wider angle to new business .

I think that's the main reason they didn't run the Herbal tea and fast food chain stores very well.

How can Red bull maintain its marketing momentum? They created effective advertising to keep clearly communicated product benefits without promising specific physiological results, continued marketing innovation, and do the product innovation to appeal to a broad range of consumers and to be appropriate in a variety of usage occasions. Evaluate Red bull's move into herbal teas, fast food chains, and magazines. Does it make sense for the company to expand into these areas? What are the potential benefits and dangers? L) Potential benefits: Base on the Red Bull brand equity theory, customer perhaps associate that herbal tea will comfort people or give oneself a lift. Take advantage of brand extension, fast food will be associate to " energy food " and magazine can create a " energy life" for all customers they need , included students, clubbers, business people and sports people r  
<https://assignbuster.com/red-bull/>

drivers. (II)Dangers: They use different brand name, therefore, they have to build new brand equity and customer didn't pay their royalty to their new market product.

III) We think this is a typical way to do diversification, however, they should create the brand included part of Red Bull's culture, color, or signature. Then all the brand equity can be taken to new product area. Because product usage was not marketed as being limited to one or even a few occasions, Red bull users could continue to use the product even as their priorities shifted. The case states that ,” a Red Bull consumer iris attracted to the product as a nightlife enhancer in his or her early twenties might later use the drink as a morning pick-me-up or a revivalist during a long day of meetings. How effective is Red Bull at advertising to these varied groups? All ads energy deficiency and other who proposed the solution: Red Bull, they keep using strong words to let consumer deeply get in the atmosphere For example, in one ad, one dentist informs Drachma that his teeth will have to be removed, Drachma complains that he will not be able to drink blood without his teeth, the dentist told IM” one revitalization Red Bull and you ‘ ll be prince of the night again.

A shot of the product spears on the screen with the coppered Bull energy drink. Vitality's body & mind”, Red bull gives you wing” The ads were effective because they clearly communicated product benefits without promising specific physiological results. Dimidiated television spots also refrained from defining a specific target group , anyone with a sense of humor would be able to appreciate the ads. This enable the company to establish as wide a consumer base as possible.

<https://assignbuster.com/red-bull/>